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**FORMER SALOMON SMITH BARNEY MANAGER SENTENCED TO
FEDERAL PRISON FOR RECEIVING COMMERCIAL BRIBES
AND TAX EVASION**

MICHAEL J. GARCIA, the United States Attorney for the Southern District of New York, announced that MARIA E. SHAW, a former manager for the New York investment bank Salomon Smith Barney, Inc. ("SSB"), was sentenced earlier today to 366 days in federal prison for soliciting and receiving bribes in exchange for steering SSB printing work to a Long Island graphics firm and for tax evasion.

As the Superseding Information explains, SHAW accepted kickback payments in exchange for ensuring that a particular firm would receive a portion of the contracts for commercial printing and related services awarded by SSB. Furthermore, SHAW allegedly failed to pay taxes on this illegal income.

According to the criminal Complaint filed earlier in the case, as a manager in the graphics department SHAW was responsible for allocating SSB's contracts for commercial printing and related services. Some of the contracts for

commercial printing were occasionally awarded to JB Promotional Graphics, a firm located in Ronkonkoma, New York. In early 2000, the owner of JB Promotional Graphics (hereinafter the "Firm Owner") took SHAW to dinner in Manhattan. At dinner, as the Complaint alleges, SHAW stated that the amount of business received by JB Promotional Graphics from SSB could double -- from approximately \$1,000,000 to approximately \$2,000,000 -- if the Firm Owner agreed to kick-back five percent of the total amount of business that JB Promotional Graphics received from SSB, an amount of approximately \$100,000. According to the Complaint, the Firm Owner balked at SHAW's request, indicating that he could not pay such a large amount. SHAW allegedly told the Firm Owner that he should figure out a way to pay her.

According to the Complaint, the Firm Owner met with SHAW approximately six weeks later at her SSB office in Manhattan. SHAW told the Firm Owner that, while he mulled over the proposed kickback arrangement, he should pay "this" in the interim, and SHAW handed the Firm Owner a monthly bill for the home equity loan on her residence. Subsequently, according to the Complaint, the Firm Owner wrote a check made payable to Chase Manhattan Bank in the amount of approximately \$10,000 drawn on the account of JB Promotional Graphics and delivered the check to a Chase branch in Ronkonkoma, New York as a payment on SHAW's home equity loan. According to the Complaint, over the next few months, SHAW gave the Firm Owner approximately four additional

bills for installments on her home equity loan. Similarly, the Firm Owner made payments on these bills using checks drawn on the account of JB Promotional Graphics.

In addition, according to the Complaint, the Firm Owner paid two bills, totaling approximately \$7,000, for Shaw's personal credit card and also paid bills for SHAW's hairdresser. In total, the Firm Owner paid approximately \$35,000 to SHAW from early 2000 through August 2001. According to the Complaint, during the period that the Firm Owner paid these commercial bribes to SHAW, the amount of business which JB Promotional Graphics received from SSB for commercial printing and related services increased.

According to the Complaint, subsequent to the above-described events, the Firm Owner began cooperating with the FBI and has since pled guilty to charges of mail fraud, interstate travel in aid of racketeering, and bid rigging. The Firm Owner is awaiting sentencing.

On May 16, 2005, SHAW pleaded guilty to the Superseding Information, admitting that she participated in a conspiracy to solicit and receive commercial bribes in exchange for steering SSB printing work to the clients of her coconspirator and that she evaded taxes by failing to report her bribe income on her federal income tax forms.

United States District Judge MICHAEL B. MUKASEY sentenced SHAW to 366 days in prison and ordered her to pay \$10,045 in restitution to the IRS.

SHAW, 64, resides on Staten Island, New York.

Mr. GARCIA praised the efforts of the Federal Bureau of Investigation and the Internal Revenue Service for their work in this case.

Assistant United States Attorney BRET R. WILLIAMS is in charge of the prosecution.

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